Detailed Business Plan Section Checklist

Charter Holder: Westwind Children's Services (Entity ID 6363)

Each Detailed Business Plan will be reviewed to determine if all of the required elements have been addressed:

Yes – Required element addressed.
No – Required element not addressed.
Not **A**pplicable – Required element not applicable to the charter holder.

Arizona State Board for Charter Schools (Board) staff will complete the Detailed Business Plan Section Checklist. The Checklist will be used by the Board in its consideration of the charter holder's request for charter renewal. " No" answers may adversely affect the Board's decision regarding a charter holder's request for charter renewal.

II b.1. CHARTER HOLDER'S ORGANIZATIONAL MEMBERSHIP				
Required Elements	**Yes**	**No**	**N/A**	**COMMENTS**
○ Evidence of the appropriate filings with either the Board, Arizona Corporation Commission or both submitted.			X	
II b.2. CHARTER HOLDER'S FINANCIAL SUSTAINABILITY PART A – RENEWAL BUDGET PLAN				
Required Elements	**Yes**	**No**	**N/A**	**COMMENTS**
○ Completed Renewal Budget Plan submitted.	X			The charter holder submitted two Renewal Budget Plans – one for if the school stays in its current location and one for if the school moves to a new location.

○ 4 years of financial information provided as required by the *Renewal Instructions* with fiscal years clearly identified.		X		The Renewal Budget Plans include four years of financial information. However, instead of including actual information for fiscal year 2011 and projecting the next three fiscal years, the Renewal Budget Plans use fiscal year 2012 as the "actual" year and includes financial information for the next three fiscal years.
○ Renewal Budget Plan includes average daily membership (ADM) used in each fiscal year and the basis for projected ADM.		X		The Renewal Budget Plans include the ADM used in each fiscal year, but do not explain the basis from the projected increase in ADM from fiscal year 2012 to fiscal year 2013. Please note that the ADM included in the Renewal Budget Plans for fiscal year 2012 is similar to the 40th day ADM (254.726) included in reports available through the Arizona Department of Education's (ADE) website. However, according to ADE reports, as of March 9, 2012, the charter holder's 100th day ADM is 246.248.
○ Assumptions provided for key components of the Renewal Budget Plan, including the basis for all projected revenue line items used.		X		The Renewal Budget Plans do not include the basis for the projected increases in the Extracurricular Tax Credits (FY2013-2015), Contributions and Donations (FY2013) and Fundraising (FY2013) line items. Based on formula information included in the Excel spreadsheets, the charter holder is anticipating 5% annual increases in the Instructional Improvement and Federal Funds/Grants line items.

○ Increases or decreases of 10% or more in the "total expenses" line item from year to year in the Renewal Budget Plan are explained in the "Assumptions/Notes" section.			X	
○ Each "Other" line item used is explained in the "Assumptions/Notes" section to specify what is included.	X			
○ For those required to submit the Academic Performance Section of the renewal application, the charter holder's previous two audits and the Renewal Budget Plan demonstrate the charter holder has the financial capacity to implement the "budget" as detailed in the Academic Performance Section.		X		Although the costs to implement the performance management plan are indicated to be minimal ($1,900), the charter holder's fiscal year 2011 financial statements were prepared assuming the organization will continue as a going concern. For more information about the organization's financial capacity, please see the "Viability of the Organization" and "Adherence to the Terms of the Charter" sections of the Renewal Executive Summary. While the Renewal Budget Plans project that after a loss in fiscal year 2012, revenues will annually exceed expenses in fiscal years 2013 through 2015, it is not readily clear that the projected surpluses, particularly in fiscal year 2013, will occur. For more information, please see the second bullet on Page 2 of this document and the "Viability of the Organization" section of the Renewal Executive Summary.
○ Renewal Budget Plan is mathematically correct.	X			Taking into account rounding issues, the Renewal Budget Plans are mathematically correct.

II b.2. CHARTER HOLDER'S FINANCIAL SUSTAINABILITY PART B – FINANCIAL SUSTAINABILITY NARRATIVE				
Required Elements	**Yes**	**No**	**N/A**	**COMMENTS**
○ For those required to complete the renewal application's "Charter Holder's Financial Sustainability" section because at least one of the two previous audits identified a going concern or identified negative net assets or negative members'/stockholders' equity at year end, a narrative is provided.	X			
○ Narrative does not exceed one page in length.	X			
○ Narrative explains the charter holder's current financial situation.	X			
○ Narrative includes the specific steps the charter holder has already taken to improve its financial situation and ensure the continued financial sustainability of the charter school(s).	X			
○ Evidence provided that supports each of the steps already taken by the charter holder to improve its financial situation and ensure the continued financial sustainability of the charter school(s).	X			
TOTAL (Sections II b.1, II b.2 Part A, and II b.2 Part B)	8	4	2	

Check one *(required)*:

☐ MEETS THE REQUIREMENTS (All applicable "Required Elements" received a "Yes".)

☒ DOES NOT MEET THE REQUIREMENTS (One or more applicable "Required Elements" received a "No".)

Board Staff Review Date: March 21, 2012